President's Trip—North Carolina and Georgia, 3/17/78-3/20/78

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THE WHITE HOUSE

WASHINGTON

VISIT TO NORTH CAROLINA AND GEORGIA

March 17 - 20, 1978

SUMMARY SCHEDULE FOR FRIDAY - MARCH 17, 1978

7:20 a.m. 7:40 a.m.	Helicopter departs South Grounds for Andrews AFB. Air Force One departs Andrews AFB en route Winston-Salem, North Carolina. (Flying Time: 55 mins.)
8:35 a.m.	Air Force One arrives Winston-Salem. 7-minute motor-cade from Smith-Reynolds Airport to Wake-Forest Univ.
8:47 a.m.	Arrive Wait Chapel, Wake-Forest University. After greeting Welcoming Party, proceed to holding room for 6 minutes PERSONAL TIME.
8:59 a.m.	Depart holding room, and after announcement, proceed to podium on stage Remarks carried on LIVE LOCAL TELEVISION.
9:25 a.m.	Remarks conclude. After greeting crowd, proceed to Neal reception. LIVE LOCAL TELEVISION.
9:32 a.m.	Arrive Neal reception. Greet guests. Attendance: 86
9:50 a.m.	Proceed outside Wait Chapel for 10-minute Q and A session with local press. Attendance: 100
10:00 a.m.	Proceed to holding room. PERSONAL TIME: 12 minutes
10:13 a.m.	Depart holding room, board motorcade for 7-minute drive to Winston-Salem Airport.
10:30 a.m.	Air Force One departs Winston-Salem Smith-Reynolds Airport en route Savannah, Georgia. (Flying Time: 1 hour, 55 minutes)

10-minute

FRIDAY - MARCH 17, 1978 - Continued

5:30 p.m.

5:45 p.m.

11:55 a.m.	Air Force One arrives Hunter Army Air Field, Savannah, Georgia.
	Board helicopter for 30-minute flight to USS Eisenhower.
12:30 p.m.	Arrive USS Eisenhower. Arrival Honors. Proceed to Commanding Officer's cabin to don jackets and caps.
12:38 p.m. 1:00 p.m. 1:25 p.m.	TOUR - Strike Leader briefing. Lunch. Tour flight deck to observe pre-launch evolutions.
	Observe weapons loading, E-2C aircraft, flight deck personnel, arresting cables, catapult tracks, Fresnel Lens Optical Landing System, and Integrated Catapult Control Station.
	Observe Flight Deck Control operations.
1:45 p.m.	Proceed to Navigation Bridge observe final preparations and aircraft launch.
2:15 p.m.	Depart Navigation Bridge tour Combat Information Center and Carrier Air Traffic Control Center observe Combined Weapons Training Exercises.
3:20 p.m.	You and Adm. Holloway receive passing honors from ships participating in exercise.
	Briefing by Air Boss in Primary Flight Control Tower Observe aircraft recovery.
3:45 p.m.	Proceed to nuclear reactor area for tour.
4:25 p.m.	Arrive Hangar Bay One remarks to crew. Tour Static Display aircraft. Honors Ceremony.
4:55 p.m.	Proceed to helicopter, board and depart on 30-minute flight to Hunter AAF, Savannah, Georgia.

Arrive Hunter AAF, Savannah, Georgia.

Arrive SeSoto Hilton. Proceed to suite.

motorcade to DeSoto Hilton Hotel.

PERSONAL TIME: 2 hours, 55 minutes

8:43 p.m.	Depart suite, proceed to motorcade for 3-minute ride to Savannah Civic Center.
8:52 p.m.	Arrive holding room. PERSONAL TIME: 3 minutes
8:55 p.m.	Depart holding room, proceed to Civic Center arena, take seat at Head Table. Attendance: 1200 Toby Buttimer introduces you for remarks.
9:40 p.m. 9:55 p.m.	Remarks conclude. Proceed to motorcade; depart for 10-minute drive to Hunter AAF. Arrive Hunter AAF; board Air Force One for 35-minute flight to St. Simons Island, Georgia.
10:35 p.m.	Arrive St. Simons Island. 10-minute motorcade to Musgrove Plantation.

10:50 p.m. Arrive Musgrove Plantation. OVERNIGHT.

SATURDAY - MARCH 18, 1978

PERSONAL TIME.

SUNDAY - MARCH 19, 1978

PERSONAL TIME.

MONDAY - MARCH 20, 1978

4:25 p.m.	Motorcade	departs	Musgrove	Plantation	for	Glynco
-	Naval Air	Station.	•			

- 4:55 p.m. Arrive Glynco Naval Air Station. Board Air Force One for 1 hour, 25 minute flight to Andrews AFB.
- 6:25 p.m. Air Force One arrives Andrews AFB. Board helicopter.
- 6:45 p.m. Arrive South Grounds of the White House.

THE WHITE HOUSE

WASHINGTON

VISIT TO

NORTH CAROLINA AND GEORGIA

March 17 - 20, 1978

FRIDAY - MARCH 17, 1978 DAY #1

Departure: 7:20 a.m.

From: Tim Kraft

SEQUENCE - WASHINGTON, D.C. DEPARTURE - WINSTON-SALEM, N.C. ARRIVAL

7:20 a.m.

You and Mrs. Carter board helicopter on South Lawn and depart en route Andrews Air Force Base.

7:35 a.m.

Arrive Andrews AFB, board Air Force One and depart en route Winston-Salem, North Carolina.

PRESIDENTIAL GUESTS

Secretary Harold Brown

Sen. Herman Talmadge (D-Ga.)

Sen. and Mrs. Robert Morgan (Katie) (D-N.C.)

Rep. Charles Whitley (D-N.C.)

Rep. Richardson Preyer (D-N.C.)

Rep. W.B. "Bill" Hefner (D-N.C.)

Rep. V. Lamar Gudger (D-N.C.)

(Flying Time: 55 minutes) (No Time Change)

8:35 a.m. Advance: K. LeGrand Air Force One arrives Winston-Salem Smith-Reynolds Airport.

OPEN PRESS COVERAGE LIVE LOCAL TELEVISION CLOSED ARRIVAL

You and Mrs. Carter will be met by:

Governor and Mrs. James B. Hunt, Jr. (Carolyn) (D-N.C.)
Wayne Corpening (D), Mayor of Winston-Salem

You, Mrs. Carter and Governor Hunt board motorcade and depart Smith-Reynolds Airport en route Wake-Forest University.

WAKE-FOREST UNIVERSITY

8:47 a.m.

Motorcade arrives Wake-Forest University, Wait Chapel.

PRESS POOL COVERAGE CLOSED ARRIVAL

You and Mrs. Carter will be met by:

Dr. James R. Scales, President, Wake-Forest University

Secretary Juanita Kreps
Attorney General Rufus Edmisten
State Treasurer Harlan Boyles, Sr.
Andrew Craig Phillips, Superintendent of

Public Instruction

James Graham, Commissioner of Agriculture John Brooks, Commissioner of Labor John Ingram, Commissioner of Insurance John Henley (D), President Pro Tem of Senate Carl Stewart, Jr. (D), Speaker of the House

Carl Stewart, Jr. (D), Speaker of the House Colin Stokes, Member, Exec. Com., Wake-Forest University (Chairman, Reynolds Industries)

James W. Mason, Chairman of Trustees, Wake-Forest University

Betty McCain, North Carolina Democratic Party Chairperson

Dr. E.B. Turner, North Carolina Democratic Party Vice Chairman

Robert G. Stockton, Forsyth County Democratic Party Chairman

9:00 a.m.

Alinda Foote Austin, Forsyth County
Democratic Party Vice Chairperson
Wilbert Hobby, President, North Carolina
AFL-CIO

Dr. Alfreda Webb, DNC Member Mrs. Johnsie Setzer, DNC Member Mrs. Jane Patterson, DNC Member Rowe Motley, DNC Member

Charlie Winberry, DNC Member
Dr. William C. Friday, President, Sixteen
Consolidated Universities

Dr. Wallace Hyde, DNC Fundraiser for Southeastern Region

Mr. Robert Allen, North Carolina
DNC Finance Chairman

You proceed to holding room.

SPECIAL NOTE: Mrs. Carter, Chip and Caron will be escorted to their seats.

Arrive holding room.

PERSONAL TIME: 6 minutes

You depart holding room and proceed to offstage announcement area.

You arrive offstage announcement area and pause for announcement.

Announcement

You enter Wait Chapel and proceed on stage to podium.

OPEN PRESS COVERAGE LIVE LOCAL TELEVISION ATTENDANCE: 2200

8:52 a.m.

8:53 a.m.

8:59 a.m.

9:01 a.m.

9:02 a.m.

PRESIDENTIAL REMARKS.

FULL PRESS COVERAGE LIVE LOCAL TELEVISION

9:25 a.m.

Your remarks conclude. You proceed through Chapel down center aisle en route Plaza Area to greet the crowd.

9:25 a.m.

Mrs. Carter will be escorted to the reception for Rep. Neal.

RECEPTION FOR REPRESENTATIVE NEAL

9:26 a.m.

You arrive Plaza Area (steps of Wait Chapel).

OPEN PRESS COVERAGE CROWD SITUATION LIVE LOCAL TELEVISION

9:27 a.m.

You proceed to Neal Reception greeting

crowd along the way.

9:32 a.m.

Joined by Mrs. Carter, you arrive Neal

reception and greet guests.

OFFICIAL PHOTO COVERAGE ATTENDANCE: 86

9:49 a.m.

You depart Neal reception and proceed to Q and A session with local reporters.

9:49 a.m.

Mrs. Carter will be escorted to holding room.

9:50 a.m.

You arrive outside Wait Chapel for local North Carolina press Q and A session.

OPEN PRESS COVERAGE ATTENDANCE: 100

10:00 a.m.

You depart Q and A session and proceed to holding room.

PERSONAL TIME: 12 minutes

WINSTON-SALEM, NORTH CAROLINA DEPARTURE - SAVANNAH, GEORGIA ARRIVAL

10:13 a.m.

You and Mrs. Carter depart holding room en route motorcade for boarding.

OPEN PRESS COVERAGE CLOSED DEPARTURE

10:18 a.m.

Motorcade departs Wait Chapel, Wake-Forest University en route Winston-Salem Smith-Reynolds Airport.

(Driving Time; 7 minutes)

10:25 a.m.

Motorcade arrives Winston-Salem Smith-Reynolds Airport.

OPEN PRESS COVERAGE CLOSED DEPARTURE

You and Mrs. Carter board Air Force One.

10:30 a.m.

Air Force One departs Smith-Reynolds Airport, Winston-Salem, North Carolina en route Hunter Army Air Field, Savannah, Georgia.

(Flying Time: 1 hour, 25 minutes) (No Time Change)

PRESIDENTIAL GUESTS

Secretary Harold Brown Senator Herman Talmadge (D-GA.)

11:55 a.m. Advance:
B. Roberts

Air Force One arrives Hunter Army Air Field, Savannah, Georgia.

OPEN PRESS COVERAGE CLOSED ARRIVAL

You and Mrs. Carter will be met by:

Major General James B. Vaught, Commander, Hunter Army Air Base

You and Mrs. Carter board helicopter. Senator Talmadge, Secretary Brown and Dr. Brzezinski accompany you.

USS EISENHOWER TOUR

Helicopter departs Hunter AAF en route USS Eisenhower.

(Flying Time: 30 minutes)

Helicopter arrives USS Eisenhower.

OPEN PRESS COVERAGE CLOSED ARRIVAL

You and Mrs. Carter will be met by:

Admiral James L. Holloway, III, Chief of Naval Operations Secretary W. Graham Claytor, Jr., Secretary of the Navy

You and Mrs. Carter, escorted by Adm. Holloway and Secretary Claytor, proceed through arrival honors.

You and Mrs. Carter are met by Captain William Ramsey, Commanding Officer, USS Eisenhower.

You and Mrs. Carter, escorted by Capt. Ramsey, proceed to Commanding Officer's cabin.

You and Mrs. Carter arrive Commanding Officer's cabin where you will be met by Admiral Wesley L. McDonald, Commander, Second Fleet.

You and Mrs. Carter and those NOTE: accompanying you will be presented with jackets and caps to wear on board.

12:00 noon

12:30 p.m.

12:33 p.m.

12:35 p.m.

12:38 p.m.

You and Mrs. Carter, escorted by Commander Ed Clexton, Executive Officer, USS Eisenhower, proceed on tour. Secretary Brown and Dr. Brzezinski will accompany you and Mrs. Carter.

Strike Leader briefing.

1:00 p.m.

Lunch

1:25 p.m.

Tour Flight Deck to observe pre-launch evolutions.

Observe weapons loading, E-2C aircraft, flight deck personnel, arresting cables, catapult tracks, Fresnel Lens Optical Landing System, and Integrated Catapult Control Station.

OPEN PRESS COVERAGE

Observe Flight Deck Control operations.

1:45 p.m.

You and Mrs. Carter, escorted by Cmdr. Clexton, proceed via elevator to Navigation Bridge.

1:48 p.m.

You and Mrs. Carter arrive Navigation Bridge.

2:00 p.m.

Observe final preparations and aircraft launch.

2:15 p.m.

You and Mrs. Carter, escorted by Cmdr. Clexton, depart Navigation Bridge via elevator.

2:20 p.m.

Tour Combat Information Center and Carrier Air Traffic Control Center.

2:40 p.m.

Observe Combined Weapons Training Exercise.

OPEN PRESS COVERAGE

3:20 p.m.

You and Adm. Holloway receive passing honors from ships participating in exercise.

OPEN PRESS COVERAGE

NOTE: Mrs. Carter and all guests and staff remain seated.

Briefing by Air Boss in Primary Flight Control Tower.

Observe aircraft recovery.

3:45 p.m.

Escorted by Cmdr. Clexton, you proceed to nuclear reactor area.

Tour nuclear reactor area. Secretary Brown and Dr. Brzezinski will accompany you.

NOTE: A tour of the ship's medical facilities will be available for Mrs. Carter

4:25 p.m.

Escorted by Cmdr. Clexton, you arrive Hangar Bay One.

4:30 p.m.

You make remarks to crew In Hangar Bay Two.

OPEN PRESS COVERAGE
Tour Static Display aircraft

4:50 p.m.

Honors Ceremony

4:55 p.m.

You and Mrs. Carter bid farewell to your hosts and proceed to helicopter for boarding.

USS EISENHOWER DEPARTURE - SAVANNAH, GEORGIA ARRIVAL

5:00 p.m.

Helicopter departs USS Eisenhower en route Hunter AAF, Savannah, Georgia. Senator Talmadge, Secretary Brown, and Dr. Brzezinski are your guests aboard the helicopter.

(Flying Time: 30 minutes)

5:30 p.m.

Helicopter arrives Hunter AAF, Savannah, Georgia.

OPEN PRESS COVERAGE CLOSED ARRIVAL

You and Mrs. Carter will be met by:

Senator Samuel Nunn (D-Georgia)
Rep. Ronald "Bo" Ginn (D-Georgia)
John P. Rousakis (D), Mayor of Savannah
Frank P. Rossiter (D), Mayor Pro Tem
Mr. Shelby Myrick, Jr. (D), Chairman,
Chatham County Commissioners
Leo E. Center, Alderman
Roy L. Jackson, Alderman
Bowles C. Ford, Alderman
H.D. "Nippie" Morrison, Alderman
W. Brooks Stillwell, III, Alderman
Duncan Cameron, Mayor, (D), Lithonia, Ga.
Gil Harbin, Mayor (R), Valdosta, Georgia
President, Georgia Municipal Assn.

You and Mrs. Carter proceed to motorcade. Mayor Rousakis will accompany you.

Motorcade departs Hunter AAF en route DeSoto Hilton.

(Driving Time: 10 minutes)

Motorcade arrives DeSoto Hilton (Front Entrance).

OPEN PRESS COVERAGE CLOSED ARRIVAL

You and Mrs. Carter will be met by Mr. Ted Klisner, General Manager, DeSoto Hilton.

NOTE: Mrs. Mary Masters and Toby Buttimer will be in the Lobby to greet you and Mrs. Carter.

5:35 p.m.

5:45 p.m.

Proceed to your suite.

5:48 p.m.

Arrive Suite.

PERSONAL TIME: 2 hours, 55 minutes

NOTE: Mrs. Carter will depart the Suite at 6:20 p.m. for an informal reception with friends and supporters in the Pulaski Room.

At 7:00 p.m., Mrs. Carter will return to the suite for a private meeting with Lee Adler of the Savannah Neighborhood Action Project.

At 8:35 p.m., Mrs. Carter and Caron will proceed to the home of Mrs. Hussey for a reception. They will join you at Hunter AAF at 9:50 p.m. for the flight to St. Simons Island, Georgia.

#

SAVANNAH CIVIC CENTER

8:43 p.m.

You depart suite en route motorcade, board and depart DeSoto Hilton Hotel for the Savannah Civic Center.

8:51 p.m.

Motorcade arrives Savannah Civic Center.

PRESS POOL COVERAGE CLOSED ARRIVAL

Proceed to holding room.

8:52 p.m.

You arrive holding room where you will be greeted by Walter Corish, brother of Julian F. Corish, Guest of Honor of Hibernian Society Dinner.

		•
8:55 p.m.		You depart holding room en route Civic Center arena.
		Arrive Civic Center arena, proceed onto stage and take your seat at the Head Table.
		OPEN PRESS COVERAGE ATTENDANCE: 1200
	9:00 p.m.	Introduction of Senator Nunn by Thomas Gignilliat, President Hibernian Society.
	9:05 p.m.	Remarks by Senator Nunn.
	9:20 p.m.	Introduction of Toby Buttimer by Thomas Gignilliat.
	9:22 p.m.	Remarks by Toby Buttimer con- cluding in your introduction.
9:25 p.m.		PRESIDENTIAL REMARKS.
		FULL PRESS COVERAGE
9:40 p.m.		Your remarks conclude. You thank your hosts and depart stage en route motorcade for boarding.
9:45 p.m.		Motorcade departs Savannah Civic Center en route Hunter AAF.
		(Driving Time: 10 minutes)
	9:50 p.m.	Mrs. Carter's motorcade arrives Hunter AAF.
9:55 p.m.		Motorcade arrives Hunter AAF.
		OPEN PRESS COVERAGE

You and Mrs. Carter board helicopter.

CLOSED DEPARTURE.

10:00 p.m.

Helicopter departs Hunter AAF, Savannah, en route St. Simons Island, Georgia.

(Flying Time: 35 minutes)

10:35 p.m.

Advance: E. Mitchell

Helicopter arrives McKinnon Airport, St. Simons Island.

OPEN PRESS COVERAGE CLOSED ARRIVAL

You and Mrs. Carter proceed to motorcade, board, and depart McKinnon Airport en route Musgrove Plantation.

(Driving Time: 10 minutes)

10:50 p.m.

Motorcade arrives Musgrove Plantation.

OVERNIGHT.

THE WHITE HOUSE

WASHINGTON

VISIT TO NORTH CAROLINA AND GEORGIA

March 17 - 20, 1978

SATURDAY - MARCH 18, 1978

PERSONAL TIME

SUNDAY - MARCH 19, 1978

PERSONAL TIME

MONDAY - MARCH 20, 1978

4:25 p.m. You

You and Mrs. Carter proceed to motorcade for boarding.

4:30 p.m.

Motorcade departs Musgrove Plantation en route Glynco Naval Air Station.

(Driving Time: 25 minutes)

4:55 p.m.

Motorcade arrives Glynco Naval Air Station.

OPEN PRESS COVERAGE CLOSED DEPARTURE

You and Mrs. Carter board Air Force One and depart Glynco Naval Air Station en route Andrews AFB.

(Flying Time: 1 hour, 25 minutes)

6:25 p.m.

Air Force One arrives Andrews AFB.

OPEN PRESS COVERAGE CLOSED ARRIVAL

You and Mrs. Carter board helicopter and depart en route South Grounds.

6:45 p.m.

Arrive South Grounds.

#

Fact Sheet on the Economy

North Carolina

- Population of North Carolina in mid-1977 was 5.5 million, up 8.7% from 1970 (population growth was 6.4% nationwide, and 11.2% for the South). North Carolina ranks eleventh in the nation in terms of total population.
- Unemployment rate in December was 4.6% (compared with 6.0% nationwide on a nonseasonally adjusted basis). This represented a decline from 5.9% a year earlier. (The latest figure for North Carolina is likely to be moved up by about half a percentage point when the State data are revised in mid-March.)
- Employment was about 2.5 million in December out of a labor force of 2.6 million. Over the year employment increased by 3.1%, compared to 4.7% for the nation.
- Industry: North Carolina has one of the nation's largest farm populations and ranks second only to Texas in the number of farms. Major crop products are tobacco, cotton, peanuts, and corn.

Of the nonagricultural population, 37% are employed in manufacturing (compared with 24% for the nation). More tobacco products are produced in North Carolina than all other states combined. Other major manufactures are textiles and household furniture.

Income: in 1976 North Carolina ranked 38th among the States in per capita income, but from 1966 income had grown at an 8.9% annual rate, compared with 8.0% for the nation.

Winston-Salem

- Population in mid-1976 in the Greensboro-Winston-Salem-Highpoint metropolitan area was 769,000, up 6.2% from 1970.
- Unemployment rate in December 1977 in the metropolitan area was a fairly low 3.9%, down from 5.3% a year earlier.

NORTH CAROLINA

UNEMPLOYMENT STATISTICS

State	Unem	ployment R	ate Unempl	oyed Emp	loyed
January '7	7	6.9%	175,0	00 2,3	50,600
December '	77	4.6%	119,0	00 2,4	69,300

Since President Carter took office, the unemployment rate has fallen 2.3 percentage points, and the number of unemployed has fallen by 56,000 in North Carolina. The number of unemployed has fallen by 32% during this time, and the number of employed has increased by 118,700.

Winston-Salem SMSA	Unemployment Rate	<u>Unemployed</u> <u>Employed</u>
January '77	6.6%	26,100 370,500
December '77	3.9%	15,800 387,000

Since President Carter took office, the unemployment rate has fallen 2.7 percentage points, and the number of unemployed has fallen by 10,300 in Winston-Salem. The number of unemployed has fallen by 39% during this time, and the number of employed has increased by 16,500.

STIMULUS PACKAGE ALLOCATIONS (Millions of Dollars)

ECONOMIC STIMULUS FIGURES

10	ORTH CAROLINA	WINSTON-SALEM
Local Public Works	\$ 43.9 M	\$1.6 M
Public Service Employment	\$122.8 M	\$4.6 M
Countercyclical Revenue Sharing*	\$ 20.7 M	\$.3 M
TOTAL**	\$187.4 M	\$6.5 M
	GEORGIA	SAVANNAH
Local Public Works	\$ 76.1 M	\$1.5 M
Public Service Employment	\$152.2 M	\$3.8 M
Countercyclical Revenue Sharing*	\$ 33.3 M	<u>\$.8 M</u>
TOTAL**	\$261.6 M	\$6.1 M

Figures for Local Public Works and Public Service Employment are actual allocations.

^{*} Estimate -- actual allocations will depend on future changes in the unemployment rate.

^{**} Estimate -- includes estimated Countercyclical Revenue sharing payments.

PRESIDENTIAL JOB PERFORMANCE RATING, NORTH CAROLINA*

JULY, 1977

Excellent	16.2% ك	71%
Good	54.4	112
Only Fair	23.9	27%
Poor	3.0 \$	270
Don't know	2.0	

MARCH, 1978

Excellent	10.0%	51%
Good	40.6	210
Only Fair	32.6 }	42%
Poor	9.5	420
Don't know	7.3	

^{*}This information comes from a statewide Democratic primary sample compiled for McNeill Smith, state senator running for Helms' U.S. Senate seat.

Senator Robert Morgan, North Carolina

- -- Elected in 1974, up for re-election 1980
- --Wife: Katie
- -- Career marked by independence and willingness to speak out
- -- Recent polls show him in good shape
- --Close to Governor Hunt
- --Travelling on Air Force One to Winston-Salem
- --Graduate of Wake Forest University's Law School
 --Has a 41.79 rating for support of Administration sponsored legislation

Morgan was out early in support of the Panama Canal Treaties, and has made an attempt to educate the voters of the State on the matter. He has not had an easy job, primarily because of Senator Helms' bitter opposition to ratification. His support for the Treaties may cost him politically.

Morgan is opposed to the Labor Reform Bill, but has resisted pressure from business interests to commit to vote against cloture. He has asserted his independence in a number of recent speeches telling audiences of businessmen that, if they do not trust his judgment on these matters, they should find themselves a candidate they do trust and elect him. This has shocked some folks, but has drawn favorable editorials.

Committees and Subcommittees:

Committee on Armed Services Tactical Aircraft General Procurement General Legislation Committee on Banking, Housing & Urban Affairs Housing & Urban Affairs Securities Rural Housing, Chairman Select Committee on Ethics Select Committee on Intelligence < Collection, Production and Quality Intelligence & the Rights of Americans

Special Investigations, Chairman

Congressman Steve Neal, 5th C.D., North Carolina

--Will accompany you on Air Force One

--Wife: /Landis

-- Has a 58.6% rating for support of Administration sponsored legislation

Neal, first elected in 1974, is in for a difficult reelection this year. His opponent, Hamilton Horton, is an intellectual conservative, former state legislator, and most recently A.A. to Senator Jesse Helms. With Helms running strong and no popular Democrat for Neal to run with, the race will be very close. Horton is also using the unpopularity of Secretary Califano against Neal, although Neal does not pretend to defend the Secretary.

The single biggest issue in Neal's district is Secretary Califano, not only because of his anti-smoking campaign, but because of HEW's rejection of the State's desegregation plans for its university system. A state legislator made the comment that "The Devil is the only one in North Carolina more unpopular than Califano." It is likely that someone will ask the President how he stands on Califano's anti-smoking campaign.

In the rural counties where Neal won his election last time, he is not recognized as a "down home" Congressman. He does not visit the district often. He has concerned himself with international banking matters, an issue which is of little concern to the district. Neal will again be charged with being too liberal and unresponsive.

Neal has maintained his conservative voting record by occasionally casting conservative votes to keep his liberal rating low, while not hurting major Administration programs. He has been particularly helpful on international banking matters, and was with us through most of the energy fight, the B-1, and Humphrey-Hawkins. He has been active in his support of solar energy and, when called upon, has cooperated with the Democratic Leadership on a range of issues.

In your remarks, you should call Neal a proponent of strong defense, which should increase his support with the Helms' crowd. At some point you should state that Neal has become a valued member of the Leadership in the House, and has an increasing influence on the Congress.

Steve Neal Page Two

The district will not be well served by a Republican freshman Congressman, who will have no influence with Congress or the Administration.

Committees and Subcommittees:

Science and Technology

Banking, Finance and Urban Affairs

Chairman, Subcommittee on International Trade,

Investment and Monetary Policy

The three strongest Democratic primary contenders for Helms' seat are:

John Ingram, 47

- --State Insurance Commissioner
- --Perceived as the peoples' champion against the insurance industry and higher insurance rates
- --High recognition factor
- --Viewed as a demagogue by the Democratic establishment
- --His campaign possibly tainted by the extortion conviction of his close personal friend and member of the Commissioner's State Insurance Advisory Council, Howard Bloom

Luther H. Hodges, Jr., 41

- --Former board chairman of North Carolina National Bank in Charlotte
- --Son of former governor and Commerce Secretary under Kennedy, Luther H. Hodges
- -- High recognition factor
- --Support from party regulars and banking community
- --Unexciting campaigner and problems overcoming "banker" image

State Senator McNeill Smith, 59

- --Lawyer
- --Most liberal of the major candidates, as well as the most articulate and intellectual
- -- Beginning to assemble a strong, grass-roots organization
- --Would provide the sharpest contrast of the three in a race against Helms

W.G. (Bill) Hefner (8th District, North Carolina)
Hefner has a 57.6% rating for support of Administration sponsored legislation. He is a member of the Public Works and Transportation Committee and the Veterans' Affairs Committee. Before being elected to Congress in 1974, Hefner was a country singer. He has been both supportive and nonsupportive on the issue of airline deregulation. He needs to be persuaded to support our position. Hefner is well respected by the other members of the House.

Charley Whitley (3rd District, North Carolina)
Whitley has a 55.9% rating for support of Administration
sponsored legislation. He is a member of the Agriculture
Committee and the Armed Services Committee. He was the
Administrative Assistant to Rep. David Henderson (former
Chairman, Post Office and Civil Service Committee) until
Henderson retired in 1976. Whitley now holds Henderson's
seat.

Lamar Gudger (11th district, North Carolina)
Gudger has a 61.8% rating for support of Administration
sponsored legislation. He is a member of the Interior
and Insular Affairs Committee and the Judiciary Committee.
He was first elected in 1976 with 50.9% of the vote,
and therefore is from an extremely marginal district.
Gudger is also well respected by his colleagues in the
House.

Richardson Prever (6th District, North Carolina)
Preyer has a 76.5% rating for support of Administration sponsored legislation. He is a member of the Government Operations Committee (Chairman, Subcommittee on Government Information and Individual Rights), the Interstate and Foreign Commerce Committee, the Standards of Official Conduct Committee and Chairman of the Select Committee on Ethics. Preyer is perhaps one of the most respected members of the House.

North Carolina Issues Issue: Higher Education Desegregation

Background: As a result of the Adams v. Califano case HEW was ordered to issue criteria detailing how states should desegregate their higher education systems. HEW was also ordered to require plans from the states which complied with the criteria. Resolving the differences between North Carolina and HEW has been made more difficult because of the existence of five traditionally black institutions in that state.

Action:

- o In February, 1978 HEW rejected most of North Carolina's plan, accepting only those sections dealing with the desegregation of 57 community colleges.
- o Secretary Califano announced that federal funds would be deferred from affected instituitions only if those new funds would contribute to continuing segregation in that higher education system. Student financial aid will not be affected.
- o HEW and North Carolina officials are negotiating on this matter; however, if an acceptable plan is not received by March 20, HEW will initiate the formal Title VI enforcement action which could lead to terminaof federal funding to this system.
- o Encouragement should be given to reach a solution to this matter without resorting to litigation.



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE WASHINGTON, D. C. 20201

March 16, 1978

MEMORANDUM FOR THE PRESIDENT

FROM JOE CALIFANO

SUBJECT: NORTH CAROLINA DESEGREGATION IN HIGHER EDUCATION

The Problem

We have now reached agreement on acceptable higher education desegregation plans with five states -- Arkansas, Florida, Georgia, Oklahoma, and Virginia. (Virginia's plan has been approved by Governor Dalton and state education officals but has not yet been approved by the State Board of Visitors. The Governors and I will announce the tentative plan Friday, March 17th, at 2 p.m., and we should not mention it publicly until then.) The plans accepted from these States meet the criteria which we published last July pursuant to court order.

As you will recall, the criteria address three major issues:

- Student desegregation;
- Faculty and administrative staff desegregation; and
- Strengthening traditionally black institutions and eliminating unnecessary program duplication between traditionally black and which institutions in the same geographic area.

As you know, we are working intensively with State officials to reach an agreement. During the last two weeks we have had almost daily meetings or conversations with representatives of the North Carolina University System.

The principal difficulty confronting us is that we cannot deviate too far from the criteria without undercutting the agreements reached with the other five states. The criteria are very flexible -- they basically require good faith efforts to meet goals over a five year period -- and the plans we have received from the other five states are well within the criteria.

North Carolina is aware of the plans that we have accepted elsewhere, yet they continually ask that we make additional exceptions to the criteria in their case. Having asked -- and received -- close adherence to the criteria from the other five states we are obviously constrained from making additional special exceptions for North Carolina.

When we accepted the first three plans in February, we announced at that time that we would commence an administrative proceeding on March 20 if we had not reached agreement on an acceptable plan. This proceeding could ultimately lead to a cut-off of present HEW funds and will ultimately trigger a deferral of future grants. As you know, we hope to tailor any deferral narrowly to those practices that support continued segregation.

In fairness to North Carolina, they are in a difficult position. The State has more public black colleges than the other states.

Suggested Talking Points

If you are asked about the issue, I suggest you say the following:

- You have confidence in the good faith of Bill Friday and me and in our efforts to reach agreement on this very important issue.
- You understand that intensive negotiations are continuing between HEW and state officials and you hope that, as has happened in the four other states, differences can be overcome. (Please do not mention Virginia until Governor Dalton makes his announcement.)

 An acceptable plan will advance civil rights and improve educational quality.

Obviously, you should not be drawn into the details of the dispute.

North Carolina

Issue: Anti-Smoking Campaign

Background:

The planned action by Secretary Califano and HEW to greatly reduce tobacco use is of extreme concern to North Carolina tobacco farmers. This will sharply reduce North Carolina farm and tax income.

Action:

- The Secretary has offered to meet with representatives from the area to explain the nature and purpose of his action on this issue.
- You may wish to reiterate the points you made in the attached letter to the North Carolina Congressional delegation.



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE WASHINGTON, D. C. 20201

March 15, 1978

MEMORANDUM FOR THE PRESIDENT

FROM JOE CALIFAN TWO 1

Subject: HEW Program on Smoking -- Background for your

Trip to North Carolina

Since you will undoubtedly encounter discussion of our antismoking efforts when you travel to North Carolina, I thought it would be useful to emphasize exactly what our program does and does not do. We have asked for \$30 million for the smoking and health effort as compared with \$174 million for alcohol programs and \$275 million for drug abuse programs.

Our anti-smoking effort at HEW has a twin focus:

Education (one-third of the budget);

• Research (two-thirds of the budget).

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Our education effort focuses on children and teenagers:

- Seventy-five percent of all smokers began to smoke and acquire the habit before they are 21;
- More than 100,000 children under the age of 13 smoke regularly, and thousands more are "experimental" smokers;
- Between 1968 and 1974, the number of teenage smokers increased by 50 percent, from 3 million to 4.5 million;
- Since 1968 the percentage of teenage girls who smoke has doubled;
- Every day 4,000 additional teenagers become cigarette smokers.

In addition to the cancer, heart and lung research, our research effort will seek to understand why teenagers smoke; how and why nicotine is addictive; how to make less hazardous cigarettes; whether and to what extent cigarette smoke affects the health of non-smokers; how smoking interacts with other drugs and with other occupational exposures. The latter research will expedite our identification of high risk adult smokers.

THE WHITE HOUSE

February 15, 1978

To Congressman L. H. Fountain

Thanks for your frank letter of February I, expressing your delegation's concerns about the future of the tobacco industry.

The Secretary of Health, Education, and Welfare has a responsibility to adequately inform the public of the package warning "The Surgeon General has determined that cigarette smoking is dangerous to your health", and he must have the flexibility necessary to carry out this duty in a responsible manner.

I personally do not approve of prohibition or the use of government authority to prevent people who, after notice, desire to smoke. Consequently, I have instructed the Secretary to advise me of what research projects, if any, are underway which would indicate whether or not other people's cigarette smoke presents a health hazard to other than a small number of individuals.

On a number of occasions I have expressed my views concerning the importance of the 600,000 farm families that derive their income from tobacco, and I am particularly sensitive to those from North Carolina where tobacco represents almost half of this \$2.3 billion cash crop. The strategy which we adopt will, above all, be one that works, and deals realistically with the industry and social fabric which over the years has built up around cigarette use.

As you know, the policy of this Administration supports efforts to advise people of the health hazards of smoking, and supports continuation of our existing tobacco programs within the Department of Agriculture.

Sincerely,

rommy (act

The Honorable L. H. Fountain U.S. House of Representatives Washington, D.C. 20515

North Carolina

Issue: Cigarette Bootlegging

Background:

You will recall that in a recent memorandum to you on this topic we explained the thriving criminal activity arising from the disparities in State taxes on cigarettes. People purchase cigarettes in low tax states, such as North Carolina, and resell them at low cost in high tax states, thus depriving the latter of significant tax revenues. As you know, one method of fighting this crime is to impose a uniform Federal tax on cigarettes instead of retaining the state by state approach, to setting cigarette taxes. A uniform tax is strongly opposed in low tax states.

Action:

- In response to the memorandum you agreed to support legislation which would strengthen law enforcement efforts to curb cigarette bootlegging.
- The Administration will oppose legislation providing for uniform tax treatment for cigarettes.

North Carolina

<u>Issue:</u> Trade - Countervailing Duty Investigation of Textile Imports

<u>Background</u>: Interest may be expressed in the Administration's efforts to curb the volume of textile imports into this country. These efforts for protection lie in two areas: (1) the multifiber arrangement, under which bilateral negotiations are being conducted to restrict exports from individual countries; and (2) the imposition of countervailing duties against textile mill products and men's and boys' apparel from eight different countries.

Action

- o The Administration is presently negotiating with the various textile exporting countries a renewal of bilateral restraint agreements that exist concerning the imports of textiles. The concern of the industry will be taken carefully into account during the process of these negotiations.
- o A countervailing duty investigation was recently opened against imports from eight different countries.* The law requires a final decision no later than November 7, 1978. A thorough investigation by the Treasury will be conducted to determine if there are export subsidies, and we will see that this investigation is completed at the earliest possible time.
- * A countervailing duty investigation involves the following countries: Korea, the Republic of China, the Philippines, India, Uruguay, Colombia, Brazil and Argentina. It was filed by the Amalgamated Clothing and Textile Workers' Union

North Carolina and Georgia

Issue: Trade Matters

- 1. Textile Tariffs. Mills in both states have mounted strong pressure on Congress to legislate a prohibition on U.S. tariff reductions on textile and apparel products in the current multilateral trade negotiations in Geneva. We already have taken into account domestic import sensitivity in our initial offer in Geneva and have excepted, in full or part from tariff reductions most apparel items, and a number of yarn and fabric items. But in mill products (yarn and fabrics), our trade is in balance, and we have export opportunities. If we were to take all textiles out of the negotiations, we would sacrifice our textile export opportunities.
- 2. Farm Land Diversion. Senator Talmadge, along with Senator Dole and a majority of the Senate Agriculture Committee, are pressing legislation to pay grain and cotton farmers 75¢ an acre not to plant their crops. Ιt is not known how high this might push domestic prices, although the sponsors say it would be marginal. problem comes at the point where the resulting production cutback raises U.S. prices above world market prices, thus endangering \$11.5 billion of American exports of grain and cotton. In order to maintain these markets, we would then have to subsidize our exports, something we have not done for a number of years. Worse, this comes at a time when we are trying to negotiate new international controls over foreign agricultural export subsidies which unfairly compete with our farm exports. We cannot expect other countries to restrain a practice which we are about to revive.
- 3. Japanese Buying Mission. A large Japanese purchasing mission has just visited Georgia and North Carolina. This is a direct outgrowth of the Japanese undertakings we recently negotiated with Minister Ushiba to open up the Japanese market to imports.
- 4. Tobacco and Other Agricultural Exports. Georgia and North Carolina are large exporters of feedgrains, soybeans, tobacco and other agricultural products, for which we are seeking new market access abroad in the current trade negotiations in Geneva.

North Carolina

Issue: The Wilmington 10 Case

Background: Although Governor Hunt has made a final decision regarding the sentences of this group, many people are looking to the Federal government to aid these civil rights activists. The Wilmington 10 have exhausted their remedies in the North Carolina Courts. They have a habeas corpus petition pending in Federal Court, with no hearing date set.

Action:

- The Justice Department is reviewing the transcripts and will determine whether there is a basis for the United States to file a brief in the habeas proceeding. That type of Federal intervention would be an unprecedented act.
- Justice feels that we should not yet mention the possibility of filing a brief in the habeas corpus action, since we do not know whether it is feasible.
- It can be said that the Civil Rights Division of the Justice Department is continuing to review the Wilmington 10 case to see if any further action is possible.

North Carolina

Issue: Eligibility for Federal Crime Insurance

Background: The Federal Insurance Administration operates the Federal Crime Insurance Program. This program insures against losses resulting from robbery, burglary, larceny and similar crimes. Governor Hunt recommended to HUD that North Carolina citizens be included as eligible participants in this program.

Action

- o In response to Governor Hunt's request FIA will issue a regulation (proposed effective date April 1, 1978) adding North Carolina citizens as eligible to purchase Federal Crime Insurance.
- o The Senate recently confirmed your nominee, Gloria Jimeney, to be Federal Insurance Administrator. She formerly was Deputy Commissioner of Insurance for the State of North Carolina.

North Carolina and Georgia

Issue: Controlling Fire Ants in the South

Background:

The imported fire ant has posed a serious health problem and has seriously hampered agricultural production in the South for many years. Fire ants, accidentally brought into the U.S. aboard a South American cargo ship in 1918, can inflict repeated, painful stings on people and livestock. To combat this pest the Southern states have been forced to rely on the pesticide "Mirex" as it has been the only feasible method of control for an area as broad as the millions of infested acres in the Southeast. Mirex has been used in the South since 1962. However, the widespread use of Mirex has been questioned for the following reasons: (1) persistent half life in the environment of 2 to 20 years, (2) it is a suspected human carcinogen.

Action:

- o The Environmental Protection Agency announced on March 9, 1978 that a number of southern states may use a pesticide called ferrimaicide in a control program this summer which has shown promise as an alternative to Mirex. Ferriamicide may be used for one year beginning July 1, 1978.
- o To date, studies indicate that Ferriamicide is (1) effective against the imported fire ant, (2) causes the toxicant to degrade rapidly, (3) has less acute toxicity to non-target organisms after toxicant degradation has occurred, (4) the degradation products are less likely to move in the environment and less likely to biomagnify and (5) there is some evidence that the degradation products are biodegradable by microorganisms.
- o EPA will continue to work with representatives from the Southern states to find a solution which controls the noxious fire ant and protects the public health.

Events

This is a commitment, and a sacrifice, that I understand well, for the tradition of military service runs deep in my own family. My first ancestor to live in Georgia, James Carter, fought in the Revolution. My father was a first lieutenant in the Army during World War One, and my oldest son volunteered to serve in Vietnam. I spent eleven years of my life as a member of the United States Navy. This is typical of many American families.

Down through the generations, the purposes of our armed forces have been the same: to defend our security when it is threatened, and through demonstrated strength to reduce the chances that we will have to fight again.

These words of John Kennedy still guide our feace, acions: "The purpose of our arms is not war had

make certain they

be to be sure that we will never have to used."

That purpose is unchanged. But the world has been changing, and our responses must change with it.

This morning I would like to talk to you about our national security -- where we now stand, what new circumstances we face, and what we are going to do in the future.

Let me deal at the beginning with some myths.

One myth is that this country somehow is pulling back from protecting its interests and its friends around the world. That is not the case, as will be explained demonstrated proven in this speech and, in our actions as a nation.

Another myth is that our Defense budget is too burdensome, and consumes an undue portion of our federal revenues. National defense is of course a large and important item of expenditures; but it represents only about 5 percent of our gross national product, and consumes approximately one-fourth of our current federal budget.

It also is a mistake to believe that our country's defense spending is mainly for intercontinental missiles or nuclear weapons. About 10 percent of our Defense budget goes to strategic forces for nuclear deterrence. More than 50 percent of it is simply to pay and support the men and women in our Armed Forces.

Finally, some believe that because we possess nuclear weapons of great destructive power, we need do

nothing more to guarantee our security. Unfortunately, it is not that simple. Our potential adversaries have now built up massive forces armed with conventional weapons — tanks, aircraft, infantry and mechanized units. Those forces could be used for political blackmail and could threaten our vital interests — unless we and our allies and friends have our own military strength conventional, forces as a counterbalance.

than just military force. It depends partly on

Capacity

the productive power of our farms and our factories,

on an adequate supply of natural resources, on an

economic system which values human freedom over

centralized control, on the creative ideas of our

best minds, on the hard work, cohesion, moral strength

and determination of our people and on the friendship of our neighbors. Our security depends on strong bonds with our allies, and on whether other nations seek to live in peace and refrain from trying to dominate those around them.

But without adequate and capable military forces

are
we would still lack an essential element of our

national security. We, like our ancestors, have

the obligation to provide forces equal to the

challenges of the world in which we live.

Let us review how national security issues have changed over the past decade or two.

The world has grown both more complex and Mod more interdependent. There is division among the

Communist powers; the old colonial empires have fallen, and many new nations have risen in their place; old ideological labels have lost some of their meaning.

There have also been changes in the military balance among nations. Over the past 20 years the military forces of the Soviets have grown substantially -- both in absolute numbers, and in relation to our own.

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This increase in Soviet military power has been

Piscounting in flation,
going on for a long time. Since 1960 Soviet real

military spending has doubled, rising steadily by budget

military spending the doubled, rising steadily by

three to four percent every year, while ours his actually

lower than it was in 1960.

The Soviets, who traditionally were not a significant naval power, now rank number two in the world in naval forces.

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The Somet blum has boun inclination on the part
There also has been an ominous willingness

of the Soviet Union to use its military power --

to intervene in local conflicts with advisors, with

aguipment and encouragement

materiel, and with full logistical support for

other communit

mercenaries from their satellite countries, as

we can observe today in Africa.

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In its balanced strategic nuclear forces, capability
the United States retains important advantages, but
we no longer dominate the seens. Over the past
decade the steady Soviet buildup has achieved
functional equivalence in strategic forces with the
United States.

These changes demand that we maintain adequate responses -- diplomatic, economic and military.

As Commander in Chief, I am responsible for modernizing, expanding and improving our Armed Forces, whenever our security requires it. We have recently completed a major reassessment of our national defense strategy, and out of this process have come some overall principles designed to preserve our national security during the years ahead.

We will not allow any other nation to gain

military superiority over us. / Together with our

allies and friends we will match any threatening power through a combination of military forces, political efforts, and economic programs.

- -- We shall seek the cooperation of the Soviet Union and other nations in reducing areas of tension. We do not desire to intervene militarily in the domestic affairs of other countries or to aggravate regional conflicts, and we shall oppose intervention by others.
- -- While assuming our military capabilities, we shall seek security through dependable, verifiable arms control agreements where possible.

-- We shall use our great economic, technological and diplomatic advantages to defend our interests and to promote our values. We are prepared, for instance, to cooperate with the Soviet Union toward common social, scientific, and economic goals -- but if they fail to demonstrate restraint in missile programs and other force levels and in the projection of Soviet or proxy forces into other lands and continents, then popular support in the United States These principles mean that even as we search for aquement on arms control we will moderance our stratagic systems and revitalize our conventional forces.

We shall implement this policy in three ways:

-- By maintaining strategic nuclear balance;

- -- By working closely with our NATO allies to strengthen and modernize our defenses in Europe; and
- -- By maintaining and developing forces to counter any threats to our allies and our vital interests in Asia, the Middle East, and other regions of the world.

Let me take up each of these three in turn.

Our first and most fundamental concern is to prevent nuclear war. The horrors of nuclear conflict, and our desire to reduce the world's arsenals of fearsome nuclear weapons, do not free us from the need to analyze the situation objectively, and to make sensible choices about our purposes and means.

Our strategic forces must be -- and must be known to be -- a match for the capabilities of the

Soviets. They Soviets must never be able to use their nuclear forces to threaten, coerce, or blackmail us or our friends.

Our continuing major effort in the SALT talks now underway in Geneva are one means toward the goal of strategic nuclear stability. We and the Soviets already have reached agreement on some basic points, although still others remain to be resolved. not looking for a one-sided advantage, but before I sign a SALT agreement on behalf of the United States, I will make sure that it preserves the strategic balance, that we can independently verify Soviet compliance, and that we will be at least as strong relative to the Soviet Union as we would be without an agreement.

But in addition to the limits and reductions of a SALT II agreement, we must take other steps to protect the strategic balance. During the next decade, improvements in Soviet missiles can make our land-based missile forces increasginly vulnerable to a Soviet first strike. Such an attack would amount to national suicide for the Soviet Union; but, however remote, it is a threat against which we must constantly be on guard.

We have a superb submarine fleet which is relatively invulnerable to attack, and we have under construction new Trident submarines and missiles which will give our submarine ballistic-missile force even greater range and security. I have ordered rapid development and deployment of cruise missiles

and We are working on the M-X intercontinental
ballistic missile and a Trident II submarine-launched
ballistic missile to give us more options to respond
to Soviet strategic deployments. If it becomes
necessary to guarantee the clear invulnerability
of our strategic deterrent, I shall not hesitate
to take actions for full-scale development and
deployment of these systems.

Our strategic defense forces are a triad -land-based missiles, sea-based missiles, and air-breathing
systems such as bombers and cruise missiles. Through
the plans I have described, all three legs of the
triad will be modernized and improved. Each will
retain the ability to impose devastating retaliation
upon an aggressor.

For thirty years and more we have been committed to the defense of Europe -- bound by the knowledge that Western Europe's security is vital to our own.

We continue to cooperate with our NATO allies in a strategy of flexible response, combining conventional and nuclear forces, so that no aggressor can threaten the territory or freedom which, in the past, we have fought together to defend.

For several years we and our allies have been trying to negotiate mutual and balanced reductions of military forces in Europe with the Soviets and the other Warsaw Pact nations, but in the meantime the Soviets have continued to increase and to modernize their forces beyond a level necessary for defense.

In the face of this excessive Soviet buildup, we and our NATO allies have had to take important steps to

to long-term threats. We have significantly strengthened U.S. forces stationed in Western Europe, and we are improving our ability to speed additional ground and air reinforcements to the defense of Europe in time of crisis.

Our European allies, who supply the major portion of NATO's conventional combat strength, are also improving their readiness and reinforcement capabilities and their antitank defenses. The heads of the NATO governments will be attending a summit meeting in the United States in May, where we will address a NATO long-term defense program which will expand and integrate allied defense plans.

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966 power. Jongstanding encompass our own at security intends
Thirdly, Our security concerns, reach beyond own summer the part of the first time. Soviet

power is being felt far, beyond the borders of the Soviet bloc and, as events in Africa are demonstrating, this involvement abroad is increasingly military in nature a development that we cannot view with. complacency.

We have importent
The United States has historical responsibilities to enhance peace in East Asia, the Middle East, the Persian Gulf, and in our own hemisphere. Our preference in all these areas is to turn first to international agreements that reduce the overall level of arms and minimize the threat of conflict. But we have the will, and we must also maintain the capacity, to honor our commitments and to protect our interests in these critical areas.

we are protected, and so are our allies, by In the Pacific there is reciprocal advantage

in our mutual defense treaties with Australia,

New Zealand, Japan and South Korea, and in our

friendship and cooperation with other Pacific nations.

Japan and South Korea, closely linked with
the United States, are located geographically where
the vital interests of great powers converge. It is
imperative that Northeast Asia remain stable. We
will maintain and even enhance our military strength
in this area, improving our air strength, and
reducing our ground forces as the South Korean army
continues to modernize and to increase its own
capabilities.

In the Middle East and the region of the

Indian Ocean, we seek permanent peace and stability.

The economic health and well-being of the United

States, Western Europe and Japan depend upon

continued access to oil from the Persian Gulf.

In all these regions, the primary responsibility for preserving peace and military stability rests with the countries concerned. We shall continue to work with our friends and allies to strengthen their ability to prevent threats to their interests and ours. In addition, however, we will maintain forces of our own which could be called upon if necessary to mutaal support the defense efforts of our friends and allies. The Secretary of Defense at my direction is developing and will maintain quickly-deployable forces -- air, land and sea -- to defend our interests throughout the world.

Arms control agreements are a major goal as

instruments of our national security, but effective

arms control agreements will be possible only if

we maintain appropriate military force levels. Reaching

balanced, verifiable agreements with our adversaries

can limit the costs of security and reduce the risk

of war. But even then, we must — and we will —

proceed efficiently with whatever arms programs our

security requires.

When I leave this auditorium I shall be going to visit with the crew aboard one of our most modern nuclera aircraft carriers in the Atlantic Ocean.

The men and women of our Armed Forces remain committed, as able professionals and as patriotic

Americans, to our common defense. They must stand constantly ready to fight, in the hope that through strength combat will be prevented. We must always support them in that vigil.

This has been a sober talk, L know. But

there is no cause for pessimism. We face a challenge,
and we will do whatever is necessary to meet it.

We will preserve and protect our country and continue
to promote and preserve peace around the world.

This means that we shall have to continue to support strong and efficient military forces.

For most of human history, people have wished vainly that freedom -- and the flowering of the human spirit which freedom nourishes -- did not finally have to depend upon the force of arms. We,

like our forebears, live in a time when those who would destroy liberty are restrained less by their respect for freedom's strength than by their knowledge that those who cherish freedom are strong.

We are a great nation of talented people. We can readily afford the necessary costs of our military forces, as well as an increased level, needed to prevent any adversary from destabilizing the peace of the world. The money we spend on our nation's defense is not wasted, any more than is the cost of maintaining a local police force to keep the peace. This investment purchases our freedom to fulfill the our worthy goals, four nation.

Southerners, whose ancestors a hundred years ago knew the horrors of a homeland devastated by war,

are particularly determined that war shall not never come to us again. All Americans understand the hasic lesson of history: that we need firmness and and abla the ability to prevent threats and domination by others.

No matter how peaceful and secure and easy the circumstances of our lives now seem, we have no guarantee that these blessings will endure. That is why we must always maintain the strength which, God willing, we shall never need to use.



Captain William E. Ramsey Commanding Officer

William E. RAMSEY was born in San Diego, Calif., on September 7, 1931. The son of a naval officer, he spent his formative years in a variety of interesting locations, principally in Hawaii and Southern California. He attended Schofield Barracks High School in Oahu, Hi., before his appointment to the U. S. Naval Academy in 1949. As a midshipman, he was a member of the varsity swimming team for three years. Graduated and commissioned Ensign in 1953, he subsequently advanced to the rank of Captain in August 1971.

He served in USS GLYNN (APA 239) as an Ensign, then attended Flight Training, becoming a designated Naval Aviator in March 1955. He served in Fighter Squadron 84 until 1959 and then as an instructor in Attack Squadron 43 until 1960. He was selected for the U.S. Naval Test Pilot School in Patuxent River, Md., in the summer of 1960. Upon graduation, he was assigned to the Flight Test Division at the Naval Air Test Center as a Carrier Suitability Project Pilot. During this he became the first pilot to make a nose-tow catapult launch period. He was also the first pilot to conduct a singlefrom a carrier. engine landing aboard ship in both the F-4 Phantom and E-2C aircraft; to take off and recover aboard ship in the E-2C; and to perform minimum end-speed catapult launches in both aircraft. In 1962, he was one of five test pilots in the country nominated for the Ivan C. Kincheloe Award as the outstanding test pilot of the year by the Society of Engineering Test Pilots. In 1962, he was selected by NASA as one of the final 34 pilots interviewed in Houston for the GEMINI Program, and in 1963, he again went to Houston as one of the final group selected for the APOLLO Program.

In late 1963, he was assigned as Flag Secretary to COMCARDIV SIX. Following that tour, he attended the Royal Air Force Staff College in Bracknell, U.K., in 1965. He served as Operations Officer for Carrier Air Wing SIX in 1966 and 1967. Following a tour as Executive Officer in Attack Squadron 66, he took command of the squadron in 1968 and led them on a Vietnam deployment in INTREPID(CVA 11). He was selected for the Nuclear Power Program in 1969 and attended the Nuclear Power School at Mare Island and the Nuclear Power Training Unit in Idaho Falls. Upon completion of the course, he was assigned to USS INDEPENDENCE(CVA 62) as Operations Officer, fleeting up to Executive Officer in December 1970. After a tour in the Office of Program Appraisal in the SECNAV Secretariat, he received orders to command USS PENSACOLA (LSD-38).

Captain RAMSEY reported to the DWIGHT D. EISENHOWER (CVN-69) as the Prospective Commanding Officer from the faculty of the Naval War College where he held the Admiral Halsey Chair of Air Warfare.

Captain RAMSEY has been awarded the Bronze Star, eleven air medals, and three Navy Commendation Medals for combat over North Vietnam.

He is married to the former Peggy Scott Booth of Coronado, Calif.



Commander E. W. Clexton, Jr. Executive Officer

Commander Clexton, a native of Arlington, Va., enlisted in the Navy in January 1955 at NARTU Anacostia, D.C. In June 1956, he entered the U. S. Naval Academy, graduating in 1960.

After flight training at Pensacola, Fla., and Kingsville, Texas, he reported to Fighter Squadron ONE TWENTY-ONE(VF-121) at NAS Miramar, Ca., for training in the F-4 Phantom II. He joined Fighter Squadron FIFTY-THREE (VF-53) in February 1962 and with the squadron (later redesignated VF-143) made two cruises to the Western Pacific aboard USS CONSTELLATION (CVA-64). During the second cruise, he participated in the initial retaliatory strikes against North Vietnam following the harassment of U.S. destroyers in the Gulf of Tonkin.

He attended the Naval Test Pilot School at NAS Patuxent River, Md., in 1965 where he was the recipient of the Navy League Award as the outstanding member of his class. He was then assigned to the Flying Qualities and Performance Branch of the Flight Test Division until June 1968. His major projects at the Naval Air Test Center were as project pilot and Navy Preliminary Evaluation Team Leader for the F-4K and F-4M Phantom aircraft for the United Kingdom, and as USN project pilot for the joint USN/USAF F-4 Spin tests. As a result of his test work, he was accepted as a member of the Society of Experimental Test Pilot in 1968.

After refresher training with VF-121 at NAS Miramar, Ca., he joined Fighter Squadron ONE ONE FOUR (VF-114) in December 1968. He made two deployments with the squadron to Southeast Asia in USS KITTY HAWK (CVA-63), accumulating more than 200 combat missions.

He then reported to Fighter Squadron ONE ZERO TWO (VF-102) at NAS Oceana, Va., as Executive Officer, making an extended deployment to the North Atlantic and Mediterranean in USS INDEPENDENCE (CVA-62). He became Commanding Officer of the Fighting Diamondbacks in June 1972. During his tenure as C.O., VF-102 deployed again to the SIXTH Fleet in USS INDEPENDENCE, and was nominated for the Arliegh Burke Trophy as the most-improved unit among all COMNAVAIRLANT ships and squadrons. Upon relief in November 1973, he reported to Nuclear Power School, Mare Island, Ca., for six months and then to the Nuclear Power Training Unit, Idaho Falls, Id., for six months. After short periods of temporary duty aboard USS NIMITZ (CVN-68), at the Division of Naval Reactors in Washington, and at Bettis Atomic Power Laboratory in Pittsburgh, Penn., he reported to the DWIGHT D. EISENHOWER (CVN-69) Precommissioning Unit as Executive Officer in October 1975.

His decorations include twelve Air Medals, three Navy Commendation Medals with Combat "V" and two Navy Unit Commendations.

Commander Clexton is married to the former Barbara Ann Wright of Arlington, Va. They and their five children, Eric, Zita, Eddie, Lisa, and David, reside in Hampton, Va.

VICE ADMIRAL WESLEY L. McDONALD, U.S. NAVY

Admiral McDonald was born in Washington, D. C. on July 26, 1924. He attended Washington-Lee High School, Arlington, and Randall's Preparatory School, Washington, and served as page for Senator Reynolds of N. C. Entered the Naval Academy in 1943, commissioned Ensign in 1946 (accelerated course) and has been Vice Admiral since July, 1977.

Following graduation, he reported to the USS Philippine Sea and participated in Operation HIGH JUMP, the South Pole expedition of Admiral Byrd. Following that, in 1948, he took flight training at Pensacola. Designated Naval Aviator in 1950, he was assigned to Fighter Squadrons in the Mediterranean and California, served as flight instructor in Texas from 1954 to 1959 when he reported to the Naval War College in Newport, R.I. In july, 1960 he joined the staff of Commander Carrier Division Three as Aide and Flag Secretary. In 1964 he led the initial strike on the North Vietnam port of Vinh for which he received the Distinguished Flying Cross. He served as Operations Officer with Attack Carrier Air Wing Twelve and then assumed command of Air Wing Fifteen operating off the U. S. Coral Sea and USS Constellation in the Vietnam combat area. He was awarded several decorations "for meritorious achievement in aerial flight in Southeast Asia from 1965 through 1966."

From 1966 to 1968 he was with the Bureau of Naval Personnel in Washington, then attend National War College in Washington. In 1969 he received the Master of Science Degree from G. W. University in International Affairs. He assumed command of the USS Hermitage in 1969 and in 1970 was detached for duty as commanding officer of the USS Coral Sea. In 1971 he became Commandant of the 13th Naval District in Seattle; in 1974 he reported as Commander U.S. Naval Air Force Pacific Fleet Representative embarked in the Carrier USS Midway. In April of 1974 he assumed duties as chief of Naval Air Training, Corpus Christi, Texas; in August, 1975, he became Deputy Chief of Naval Personnel; since July, 1977, he has been Commander, Second Fleet.

Decorations: Legion of Merit with Gold Star, Distinguished Flying Cross with Gold Star, Bronze Star Medal, Meritorious Service Medal, Air Medal with 3 Gold Stars, Navy Commendation Medal with Combat "V" and Navy Unit Commendation Ribbon with 2 bronze stars, American campaign medal; World War II Victory Medal, Navy Occupation Service Medal, Europe Clasp, National Defense Service Medal with bronze star and Vietnam Service Medal with 3 bronze stars. He also has the Rep. of Vietnam Campaign Medal with Device.

His home address is Bolling Air Force Base, Wash., D.C. Married to Norma Joy of Arlington. Four children: Capt. T.O.McDonald, USMC, Mrs. Kathryn Overman, Joy Anne and Toni Marie.

IKE FACTS

Propulsion	Nuclear Power
Number of Reactors	Two
Speed	In excess of 30 knots
Length, overall	
Extreme breadth, flight deck	257 feet, 5.5 inches
Height, keel to mast top	206 feet, 6 inches
Area of flight deck	About 4.5 acres
Displacement (with full combat load	About 95,000 tons
Complement (with Air Wing embarked)	6,287
Daily meals served aboard	
Number of Rudders	Two
Weight of Rudders	About 45.5 tons each
Number of Anchors	Two
Weight of each Anchor	30 tons
Weight of each link in anchor chain	
Weight of each entire anchor chain	250,860 pounds
Number of Propellers	
Weight of each Propeller	
Number of shipboard telephones	
Number of aircraft elevators	Four
Size of each aircraft elevator	3,880 square feet
Number of catapults	Four

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DWIGHT D. EISENHOWER is virtually a floating city, equipped with air conditioning plants, an armory, a bakery, barbershops, a butcher shop, a carpenter shop, a chapel, a chilled drinking water plant, dentist office, a dry cleaning plant, electric generating station, fire stations, a garbage disposal plant, a hospital, ice cream stores, a jail, a laundry, a library, a movie theater, a pharmacy, photographic laboratories, a post office, a printing plant, radio and television stations, and a weather bureau.

IKE has the following furniture aboard: 6,410 berths and bunks,544 secretary-bureaus, 813 wardrobes, 924 bookracks, 256 flat-top desks, 543 file cabinets, and 5,803 chairs and stools.

There are 29,814 lighting fixtures in IKE, and the electronic equipment varies in weight from six ounces to more than 22,000 pounds.

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THE WHITE HOUSE WASHINGTON

March 16, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

JIM FALLOWS, ACHSAH NESMITH

SUBJECT:

Remarks on the USS Eisenhower

- 1. The men and women who serve in the Armed Forces are the crucial element in our nation's defense today as they have always been, and it's good to be among them. You were proud to serve with them for seven years, had planned to make it a lifelong career. Though you managed to find a fairly good job later on, you still believe in the great importance of the career service to protect our nation's security. Sometimes when things get really hectic you look back with nostalgia to the days when the worst thing that could happen to you was being washed off a ship into the sea and never heard from again.
- 2. Earlier in the day you spoke at Wake Forest about the need for a strong defense. We seek peace in the world, but we are constantly reminded of how easily the peace can be broken. We will remain as strong as we have to be to preserve our own peace, defend our liberties and work for world peace.
- 3. It's good to be back home in Georgia and "home" with the Navy. Submarine duty, like any duty at sea, can be

tough and often dangerous, but you all liked the personal closeness and precision teamwork that must be present on any ship. You were proud of the high standards and knowing the nation depended on you, that you knew your jobs and could live up to expectations.

One of the delicate manuevers you did was to stay submerged for long periods, operating no machinery but controlling your depth by raising and lowering the periscope. The sub would rise or sink very slowly but in the almost total silence of the sea depths you could hear the sounds of strange sea creatures and detect other ships at extraordinary distances. Remembering your discovery then of what could be learned in silence, you hesitate to speak longer, but thank them for letting you see their craft.

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Georgia

- Population of Georgia in mid-1977 was 5.0 million, up 10.0% from 1970 (population growth was 6.4% nationwide and 11.2% for the South). Georgia ranks fourteenth among the states in terms of total population.
- Unemployment rate in December was 5.5% (compared with 6.0% nationwide on a nonseasonally adjusted basis). This represented a drop from 6.8% a year earlier. (The latest figure for Georgia is likely to be moved up by about half a percentage point when the state data are revised in mid-March.)
- Employment was about 2.1 million in December, out of a labor force of 2.3 million. Over the year, employment rose by 3.1% compared to 4.7% for the nation.
- Industry: Manufacturing represents the major source of income, making up 25% of nonagricultural employment, about the same as for the nation. (Only about one in ten workers is employed on farms.) Textiles are the most important industry, with many northern textile operations attracted to Georgia during the mid-20th century by low wage and tax costs. Georgia is a major manufacturer of transportation equipment and Lockheed-Georgia is the State's largest employer.

Cotton and forest goods are the most important crop products, and the State leads the nation in production of paper, tufted textiles, processed chicken, and peanuts.

Income: in 1976 Georgia ranked 36th among the states in per capita income, but from 1966 income had grown at an 8.8% annual rate, compared with a national average of 8.0%.

Savannah

- Population in the metropolitan area was 211,000 in mid-1976, up only 1.2% from 1970.
- Unemployment rate was 6.5% in December 1977, down slightly from 6.8% a year earlier.

GEORGIA

UNEMPLOYMENT STATISTICS

<u>State</u>	Unemployment Ra	te Unemployed	Employed
January '77	7.2%	156,735	2,035,047
December '77	5.5%	124,300	2,139,000

Since you took office, the unemployment rate has fallen 1.7 percentage points, and the number of unemployed has fallen by 32,435 in Georgia. The number of unemployed has fallen by 21% during this time, and the number of employed has increased by 103,953.

Savannah SMSA Une	mployment Rate	Unemployed	Employed
January '77	7.0%	5,674	75,835
December '77	6.5%	5,500	78,700

Since you took office, the unemployment rate has fallen .5 percentage points, and the number of unemployed has fallen by 174 in Savannah. The number of unemployed has fallen by 3.1% during this time, and the number of employed has increased by 2,865.

STIMULUS PACKAGE ALLOCATIONS (Millions of Dollars)

ECONOMIC STIMULUS FIGURES

	NORTH CAROLINA	WINSTON-SALEM
Local Public Works	\$ 43.9 M	\$1.6 M
Public Service Employment	\$122.8 M	\$4.6 M
Countercyclical Revenue Sharing*	\$ 20.7 M	<u>\$.3 M</u>
TOTAL*		\$6.5 M
Local Public Works	GEORGIA \$ 76.1 M	SAVANNAH \$1.5 M
Public Service Employment	\$152.2 M	\$3.8 M
Countercyclical Revenue Sharing*	\$ 33.3 M	\$.8 M
TOTAL*	* \$261.6 M	\$6.1 M

Figures for Local Public Works and Public Service Employment are actual allocations.

^{*} Estimate -- actual allocations will depend on future changes in the unemployment rate.

^{**} Estimate -- includes estimated Countercyclical Revenue sharing payments.

Political Overview

Senator Herman Talmadge, Georgia

- --Will accompany you on Air Force One to Savannah and to carrier
- --Has a 47.8% rating for support of Administration sponsored legislation

The two biggest issues the Senator is hearing about are the Panama Canal Treaties (mail is running 10 to 1 against) and The Labor Reform Act, S.2467. This bill has caused more individual lobbying than any other issue to come up in the last five years. Talmadge has received close to 10,000 cards and letters on the issue since the first of the year, with 9 out of 10 against the bill.

Committees and Subcommittees:

Committee on Agriculture, Nutrition & Forestry, Chairman Agricultural Research & General Legislation Foreign Agricultural Policy

Committee on Finance

Health, Chairman

International Trade

Taxation and Debt Management Generally

Committee on Veterans Affairs

Compensation and Pensions, Chairman Housing, Insurance and Cemeteries

Joint Committee on Taxation

Senator Sam Nunn, Georgia

- --Elected in 1972, up for re-election this year
- --Wife: Colleen
- --Cannot accompany you on Air Force One, since he must be in Savannah by 10:00 a.m. for St. Patrick's Day Parade

-- Has a 57.7% rating for support of Administration sponsored legislation

Of the 34 Senators up for re-election this year, it is believed that few will have an easier time than Nunn. Georgia Democratic leaders foresee minimal primary opposition, and Republican officials indicate it's possible their party will not field an opponent. His support of the Panama Canal Treaties, however, may lead Larry McDonald to oppose him in the primary.

Senator Nunn has become one of the most respected members of the Armed Services Committee, and has earned a reputation as an expert on complex military issues, especially those relating to manpower problems.

Committees and Subcommittees:

Committee on Armed Services

Tactical Aircraft

Military Construction & Stockpiles

Manpower and Personnel, Chairman

Committee on Governmental Affairs

Permanent Subcommittee on Investigations
Subcommittee on Reports, Accounting & Management
Subcommittee on Federal Spending Practices
and Open Government

Congressman Bo Ginn, 1st C.D., Georgia

- --A.A. to Senator Talmadge for six years
- --Prior to that, A.A. to Rep. Elliott Hagen, whom he subsequently defeated in the Democratic Primary in '72
- --Will not be accompanying you on Air Force One
- -- Has a 50% rating for support of Administration sponsored legislation

Ginn is an extremely hard worker who rarely misses House votes or quorum calls, but who manages to return to his district almost every week-end. Like Neal, he comes from a relatively conservative district. He has cast several difficult votes for the Administration, and tries to help us when his votes make a difference.

There is talk in Georgia about Ginn as a possible successor to Talmadge, or as a possible candidate for Governor after Busbee's term expires. There is also some talk that he may run against Talmadge.

One of the single biggest issues in Ginn's district, excluding Savannah, is depressed agricultural prices, and increased parity. Many of his constituents are having farm credit problems and are concerned about the SBA disaster loan program.

Ginn has also received a good deal of correspondence about foreign purchases of farm land in Georgia. Senator Talmadge has introduced a bill to allow GAO to assess the extent of the problem.

Committees and Subcommittees:

Merchant Marine and Fisheries
Public Works and Transportation
Subcommittee on Investigations and Review, Chairman

Next year he may be moving to Appropriations

THE HONORABLE JOHN ROUSAKIS, MAYOR, CITY OF SAVANNAH

Mayor Rousakis' term expires this fall. He is running again, with no major opposition yet. Rousakis is also the upcoming President of the National League of Cities, and has vowed to have excellent relations with the Administration under his leadership.

Issues

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Issue:

Higher Education Desegregation

Background: HEW previously rejected Georgia's plan to desegregate its system of higher education in accordance with the Adams v. Califano order. On March 8, 1978 HEW and Georgia reached an agreement on a statewide plan.

- o Under the agreed to plan Georgia will meet a number of goals including the following:
 - -- increase by almost 16% the proportion of black high school graduates entering post secondary institutions
 - -- increase by more than 8% the proportion of black high school graduates entering its traditionally white institutions
 - -- increase minority enrollment in certain graduate fields, including law and medicine.
- o The acceptance of the plan avoids possible loss of more than \$50 million in annual Federal higher education aid to Georgia.

North Carolina and Georgia

Issue: Trade Matters

- 1. Textile Tariffs. Mills in both states have mounted strong pressure on Congress to legislate a prohibition on U.S. tariff reductions on textile and apparel products in the current multilateral trade negotiations in Geneva. We already have taken into account domestic import sensitivity in our initial offer in Geneva and have excepted, in full or part from tariff reductions most apparel items, and a number of yarn and fabric items. But in mill products (yarn and fabrics), our trade is in balance, and we have export opportunities. If we were to take all textiles out of the negotiations, we would sacrifice our textile export opportunities.
- 2. Farm Land Diversion. Senator Talmadge, along with Senator Dole and a majority of the Senate Agriculture Committee, are pressing legislation to pay grain and cotton farmers 75¢ an acre not to plant their crops. is not known how high this might push domestic prices, although the sponsors say it would be marginal. The trade problem comes at the point where the resulting production cutback raises U.S. prices above world market prices, thus endangering \$11.5 billion of American exports of grain and In order to maintain these markets, we would then have to subsidize our exports, something we have not done for a number of years. Worse, this comes at a time when we are trying to negotiate new international controls over foreign agricultural export subsidies which unfairly compete with our farm exports. We cannot expect other countries to restrain a practice which we are about to revive.
- 3. Japanese Buying Mission. A large Japanese purchasing mission has just visited Georgia and North Carolina. This is a direct outgrowth of the Japanese undertakings we recently negotiated with Minister Ushiba to open up the Japanese market to imports.
- 4. Tobacco and Other Agricultural Exports. Georgia and North Carolina are large exporters of feedgrains, soybeans, tobacco and other agricultural products, for which we are seeking new market access abroad in the current trade negotiations in Geneva.

Georgia

Issue:

Kings' Bay (Camden County) Submarine Base
Build-Up

Background: On January 26, 1978, the Navy announced its selection of Kings Bay as the location for the Fleet Ballistic Missile (FBM) support site for the Polaris-Poseidon strategic submarine missile squadron which will be relocated from Rota, Spain by July 1979. The relocation will require the stationing of a submarine tender and other support facilities at the former Kings Bay Ocean Terminal. The total Navy population influx will amount to approximately 4,305 persons into Camden County (1970 population of 11,300 persons) and into the surrounding region, including Northern The Navy has also announced that it is also Florida. considering Kings Bay (along with four other sites) as a prime candidate site for the location of a possible East Coast support site for the Trident strategic submarine. The public Environmental Impact Statement process leading to a final Navy decision will not begin until August-September 1978.

- o The FBM support site impact on Camden County will provide a significant economic stimulus (Commerce estimates \$60 million in 1978) to the region but will impose a serious burden on local public services.
- o The Economic Adjustment Committee is working with the Southern Federal Regional Council, the State of Georgia, and the Coastal Area Planning and Development Commission to formulate a comprehensive adjustment plan for meeting the local public service needs.
- o A Kings Bay Steering Committee has been formed to secure full local participation.

Issue: South Atlantic Outer Continental Shelf Sale

Background: A sale of oil and gas leases on the Outer Continental Shelf in the Southeast Georgia Embayment offshore the South Atlantic coastal states of North Carolina, South Carolina, Georgia, and Florida will be held on March 28, 1978 in Savannah. The Governors of these states are not expected to oppose the sale. The National Resources Defense Council and the Georgia Conservancy may file suit to block the sale.

- o Secretary Andrus and other Interior Department officials have met with the Southeast Governors to assure that their concerns about environmental impacts, especially onshore, are met.
- o With the safeguards that the Interior Department has in place, development of the Georgia Embabyment OCS area can proceed in a manner which is compatible with other uses of the coastal and offshore areas.
- o The Outer Continental Shelf can make a substantial contribution to reducing our dependence on foreign oil and thus help with our foreign trade deficit.

Georgia

Issue: Chattahoochee River National Recreation Area

Background:

The Administration strongly supports legislation to include this area as a unit of the National Park System. The bill was sponsored in the Senate by Senators Talmadge and Nunn, in the House by Congressmen Levitas and others. The House passed the bill last month 273-to 19.

- Working with the Senate to expedite consideration of the bill.
- Senate expected to mark-up legislation during the week beginning March 22.

North Carolina and Georgia

Issue: Controlling Fire Ants in the South

Background:

The imported fire ant has posed a serious health problem and has seriously hampered agricultural production in the South for many years. Fire ants, accidentally brought into the U.S. aboard a South American cargo ship in 1918, can inflict repeated, painful stings on people and livestock. To combat this pest the Southern states have been forced to rely on the pesticide "Mirex" as it has been the only feasible method of control for an area as broad as the millions of infested acres in the Southeast. Mirex has been used in the South since 1962. However, the widespread use of Mirex has been questioned for the following reasons: (1) persistent half life in the environment of 2 to 20 years, (2) it is a suspected human carcinogen.

- o The Environmental Protection Agency announced on March 9, 1978 that a number of southern states may use a pesticide called ferrimaicide in a control program this summer which has shown promise as an alternative to Mirex. Ferriamicide may be used for one year beginning July 1, 1978.
- o To date, studies indicate that Ferriamicide is (1) effective against the imported fire ant, (2) causes the toxicant to degrade rapidly, (3) has less acute toxicity to non-target organisms after toxicant degradation has occurred, (4) the degradation products are less likely to move in the environment and less likely to biomagnify and (5) there is some evidence that the degradation products are biodegradable by microorganisms.
- o EPA will continue to work with representatives from the Southern states to find a solution which controls the noxious fire ant and protects the public health.

Event

JOKES FOR SAVANNAH

- 1. (Senator Nunn will have said that your're dropping by Savannah on your way to take a last look at the Panama Canal. Thus:) Actually it's not true I'm going down for a last look at the Canal. Under the divorce agreement, I have visitation rights.
- 2. Last year Bishop Fulton Sheen spoke to the Hibernian Club. This year the speaker's committee thought they'd go from the sublime to the ridiculous -- but Hamilton had another engagement.
- 3. I asked one of my staffers, a Yankee, what I could say on St. Patrick's Day in Savannah, and he suggested I might make a little joke about Sherman driving the snakes out of the South. Actually, he's a former staffer.
- 4. Apparently, where he went to school, they didn't teach him that Sherman's big Christmas present to the South was not burning Savannah.
- 5. Most of you know that Toby Buttimer is the reason I'm here. I've always felt very close to Toby. He's a wholesale beer distributor, as you know, and my brother is a wholesale consumer.

- 6. I'm told the Hibernian Club hasn't admitted a new member since 1954. If the White House were that exclusive, Dwight Eisenhower would still be President.
- 7. On the way in somebody asked me how we celebrated St. Patrick's Day in Washington. I told him my whole administration was green.
- 8. I've always believed my family originally came over from Ireland, as I understand one or two of yours did. But several genealogists say I'm descended from British Royal family by way of several horsethieves. Most days I don't know which side of my ancestry to claim, but this isn't one of those days. The original Carters came over in the late 18th century, to escape the peanut famine in Ireland.
- 9. I don't know if any of you noticed this attractive tie I'm wearing (assuming you're wearing a green tie). I picked it out because it wouldn't show the soup stains. (Or wine, or whatever. Something liquid is bound to be dyed green.) Jody's original idea was for me to dye me teeth green, but I thought that would set a poor example. No little boy in America would ever brush his teeth again.
- 10. On the way in, Toby asked me if I knew how come the Irish had all the potatoes and the Arabs wound up with all the oil. Toby claims it's because the Irish

got to pick first.

11. He told me another thing I didn't know, too. He told me what a Savannah Irishman's seven-course dinner was. A six-pack of beer and a moon pie.

(We'll send more during the day as we come up with them).

HIBERNIAN DINNER REMARKS

I want to take a few minutes tonight to discuss one of the most important continuing efforts I've been making -- the effort to make our government work better.

I ran for President on the proposition that the American people deserve a government that can be trusted, not feared -- a government that uses public funds to meet public needs, not to serve its own bureaucratic interests -- a government that is efficient, economical, purposeful, and manageable.

If there is any one message the American people sent when they elected me, it was the time had come for that kind of government. And I take that obligation very seriously.

As a farmer and businessman -- and as an elected local and state official -- I saw how frustrating it can be to deal with the Federal bureaucracy.

As President, I've seen at first hand that this situation can be just as bad for those who work within the bureaucracy itself. If you're a dedicated government worker -- and you'd be surprised how many there are -- inefficiency is a never-ending discouragement that frustrates you day in and day out.

Our effort to make government work better is not a trivial matter of moving boxes around on an organization chart or giving new names to the same old agencies.

We're doing something much more significant than that. Instead of starting with what's there just because it's there, we're taking the whole range of what government does and stripping it down to fundamental principles and fundamental goals and starting from there.

This effort involves the people in government -- making sure that their success depends not just on how long they've been on the payroll but on the quality of their work. It involves the structure of government -- making sure that the instruments we design do the job the people want done, no more and no less. And it involves the process of government -- making sure that government does its job in the most efficient, least obtrusive way it can.

The centerpiece of this entire effort is the sweeping reform of the Civil Service system I proposed to Congress two weeks ago.

I believe that this reform will dramatically improve government performance. The Civil Service system is now a century old, and during that time it has turned into a tangled web of complicated rules and regulations that makes it very hard to reward outstanding workers and almost impossible to fire those few who are too lazy or incompetent to do their job.

Last year, out of more than 2 million employees, exactly 226 lost their jobs for inefficiency.

If you were running a private business that way, and you had 100 employees, you would be able to fire one person every 92 years. But of course you can't run a business that way -- and you can't run a government that way, either.

Besides Civil Service reform our effort to make the government work better has already included thousands of individual steps, and will ultimately include many thousands more.

Some of the more important of these steps involve getting rid of unnecessary rules and regulations and putting those we do need into language you don't need a lawyer to make sense of.

Next Thursday, I will issue an Executive Order that will require officials responsible for regulations to sign them; require that regulations be written in plain English; make it easier for the public to participate in the process, which is now dominated by lobbyists for special interests; require a closer look at the cost of regulations before they are issued; and require "sunset" reviews of existing regulations.

A lot of progress has been made in this area already.

Here's an example that shows that it is possible to have a regulation that says what it means. The F.C.C. is now in the process of rewriting and reducing the regulations that affect millions of CB radio owners. Here's a line from the old version:

"Except as provided in paragraph B of this section, applications, amendments thereto, and related statements of fact required by the Commission shall be personally signed by the applicant, if the applicant is an individual."

Instead of that gobbledegook, the new version simply says:

"If you are an individual, you must sign your own application personally."

We have been cutting out unnecessary forms and regulations

everywhere we can. Every useless form a citizen has to fill out is a tax on that citizen's time and patience. And unlike a money tax, which at least yields revenue, a useless form is a dead loss, because it wastes the time both of the citizen who fills it out and the bureaucrat who processes it. We've gotten rid of hundreds of millions of hours of that kind of time wasting, and we're going to get rid of a lot more.

In addition to getting rid of individual regulations, we are also trying to cut back on regulation itself in areas where it harms the public interest. For instance, we are now working for passage of a bill that would restore competition through lower fares to the airline industry. That bill represents a shift of focus away from protecting the narrow interests of part of an industry and toward serving the public. And even though the bill has not yet passed, just that shift of focus alone has already produced increased competition and lower fares.

With your help, we can have the kind of government that truly carries out the will of the people with deftness, efficiency, and skill.

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